| DOJ | Risk Litigation | SCH. # | 04-141 |
|---|---|---|---|
| **Indicator:** | **Percentage of new Risk Litigation cases handled in-house** | Analyst: | Shanda Jones |

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 78% |
| Q1 | 84% | 80% | 84% | 5.0% | CURRENT YR EST | 80% |
| Q2 | 72% | 80% | 85% | 6.2% | YTD ACTUAL | 85% |
| Q3 | | | | | (ANNUALIZED) | |
| Q4 | | | | | | |

# Analysis of Indicators:

## Data Analysis:

One of the major objectives of the Risk Litigation Program is to handle 80% of the new tort litigation cases filed against the state. So far in FY 00, a total of 771 new cases were assigned to the Department of Justice: 657, or 85% assigned in-house and 114, or 15% assigned to outside counsel. Of the 5,056 total number of all open and pending tort litigation cases assigned, 3,973, or 79% were handled in-house and 1,083, or 21% were handled by contract.

## Budget Impact:

The Risk Litigation Program reported that the average cost per in-house case was $1,246.14, and the average cost per contract case was $6,237.28. As of December 31, 1999, contract attorney fees totaled $6,754,976, compared to in-house attorney fees of $4,950,913.

## LFO Comment:

According to the Department, average cost per case is based on total expenditures for the year compared to the number of cases at a given moment in time. This number fluctuates because cases are opened and closed on a daily basis. Billings are received for cases that could have been closed in previous fiscal years. The Department indicated that the performance standard of 90% that was used in prior years was unattainable due to the complexity of cases, the lack of expertise in certain areas, and the shortage of personnel. As a result, this standard was changed to 80%. Even though the Department is still struggling with these issues, figures indicate that the state is saving money by having the Risk Litigation Division handle cases at an average cost to the state of $1,246 as opposed to contracting them out for an average cost of $6,237.

| PSC | Motor Carrier Registration | SCH. # 04F-158 |
|---|---|---|

Indicators: Single State Registration System Analyst: Samson

Number of equine samples tested annually

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 1,180 |
| Q1 | | 270 | 281 | 4.1% | CURRENT YR EST | 1,201 |
| Q2 | | 801 | 748 | (6.6%) | YTD ACTUAL | 748 |
| Q3 | | 1,031 | | | | |
| Q4 | 1,180 | 1,201 | | | | |

Number of human samples tested annually

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | $4,775,460 |
| Q1 | | | | | CURRENT YR EST | $4,606,493 |
| Q2 | $2,202,135 | $1,942,598 | $1,687,868 | (13.1%) | YTD ACTUAL | $1,687,868 |
| Q3 | | | | | | |
| Q4 | $4,775,460 | $4,606,493 | | | | |

**Analysis of Indicators:**

*Data Analysis*:

Single State Registration System (SSRS) collections were lower than anticipated in the first half of 1999 by $254,730. This is 13.1% lower than anticipated. Collections were $514,267 lower than the first half of the previous year. This decrease in collections is directly associated with the decline in SSRS applications received. There were 53 fewer applications received than targeted, which is 6.6% lower than anticipated. The decline in applications has been attributed to small carriers being bought-out by larger carriers at the beginning of the fiscal year, and therefore fewer certificates of authority were issued.

*Budget Impact:*

Of SSRS collections, 20% provides for the funding of the Public Service Commission's (PSC) Motor Carrier Division and 80% is allocated to the General Fund. Therefore, the decline in collections, has a direct impact on the State General Fund. The state will collect $411,413 less in the first half of this year than was collected in the previous year. It should also be noted that any decrease in collections would result in a decrease in the PSC's fund balance upon which the state draws interest.

*LFO Comment:*

SSRS collections were lower than anticipated. However, PSC's main purpose is not to generate revenue. The agency's purpose is to regulate transportation companies to promote safety. This variance may not be considered a negative. Though it is important that PSC enforces their regulations, they do not want to fine motor carrier companies to the extent that they cannot operate.

| DAF | Agricultural & Environmental Sciences | SCH. # | 04-160 |
|---|---|---|---|

**Indicator: Percentage of cotton acreage infested** Analyst: Shanda Jones

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 93% |
| Q1 | 100% | 90% | 90% | 0.0% | CURRENT YR EST | 90% |
| Q2 | 91% | 90% | 93% | 3.3% | YTD ACTUAL (ANNUALIZED) | 93% |
| Q3 | | | | | | |
| Q4 | | | | | | |

## Analysis of Indicators:

### Data Analysis:

According to the Department of Agriculture & Forestry, actual spraying of approximately 65,000 acres of cotton began in the Northeast Region during the second quarter of this fiscal year. Of the reported statewide total of 566,800 cotton acreage infested, the Department sprayed 127,900 acres, which included infested areas that were re-sprayed. The statewide total of acreage infested includes acres that were harvested. As cotton is harvested, spraying is stopped, and the cotton crop is destroyed. As a result of early cotton crop harvest, fewer acres were sprayed in the second quarter.

### Budget Impact:

The Department estimates that it will cost approximately $28 million to treat infested areas in FY 99-00. Approximately nine insecticide applications will be made during the current year's crop season resulting in a total of 60,000 acres sprayed in the Red River Eradication Zone and 600,000 acres sprayed in the Northeast Region. As of December 31, 1999, a total of $19,050,364 was spent on boll weevil eradication efforts, and approximately $8,295,349 was collected from farmers paying the assessments charged by the Department.

The Department estimates that in FY 00-01 more insecticide applications will be made covering a total of 600,000 acres at an estimated cost of $27 million; in FY 01-02, a total of 700,000 acres will be treated at a cost of $20 million; and in FY 02-03, the final year of the Boll Weevil Eradication Program, 700,000 acres will be treated at a cost of $12 million. The difference in cost for the above fiscal years is due to the types of treatment that will be applied to the acres. For some fiscal years aerial and/or ground applications will be administered. Boll weevil traps will be planted in order to monitor, and in some areas control, boll weevil populations. Depending on the results, fewer aerial and ground insecticide applications will be needed towards the end of the program.

### LFO Comment:

The Department reports that the Boll Weevil Eradication Program is on schedule and insecticide applications administered to date have been successful. As long as anticipated federal assistance is continued and estimated assessments continue to be received from farmers, approximately $100 million would have been spent to treat and re-treat all infested areas to achieve full eradication by Jan. 1, 2004.

**DED** **Louisiana Racing Commission** **SCH. # 05-254**

Indicators: **Drug Testing on Racing Participants** Analyst: Samson

Number of equine samples tested annually

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| Q1 | | 1,430 | 1,429 | (0.1%) | PRIOR YR | 5,180 |
| Q2 | | 2,600 | 1,865 | (28.3%) | CURRENT YR EST | 5,270 |
| Q3 | | 3,890 | | | YTD ACTUAL | 1,865 |
| Q4 | 5,180 | 5,270 | | | | |

Number of human samples tested annually

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| Q1 | | 350 | 357 | 2.0% | PRIOR YR | 1125 |
| Q2 | | 610 | 435 | (28.7%) | CURRENT YR EST | 1120 |
| Q3 | | 790 | | | YTD ACTUAL | 435 |
| Q4 | 1125 | 1120 | | | | |

**Analysis of Indicators:**

*Data Analysis*:

The objective of the Racing Commission is to test at least 15 horses and at least 3 humans per day during live race meets annually. The above indicators show that the racing commission has not been testing as many participants as originally intended. At the current rate of testing only 70% of the horses and 78% of humans will have been tested this year compared to the number anticipated.

It is the Racing Commissions goal to insure that every horse is physically fit to race and that competing horses have not been administered any medication not specifically allowed within a specified time prior to the race. Humans are tested at random and horses are tested based on circumstances. For example, it is not unusual for a winning horse to be tested.

*Budget Impact:*

The Racing Commission was unable to administer the number of tests that they felt necessary due to a lack of funding caused by the spending freeze in FY '99-'00. The Agency is financed with Self-generated Revenue that is collected from taxes on parimutuel wagering, admissions to race tracks, occupational licenses, fines, forfeited appeal fees and examination fees. The Agency also receives Statutory Dedications from Video Draw Poker.

It has been recommended, by the Division of Administration, that funding next fiscal year be increased to the Racing Commission by $33,000 in Fees and Self-generated Revenue. This increase would fund an increase in the contract with LSU for Drug Testing, specifically to allow for the purchase of equipment.

Additional funding for next fiscal year has also been recommended, by the Division of Administration, for testing for a new pre-race stimulant. This would require an increase in Self-generated Revenues of $51,300 ($10 X 15 horses per live race day X 342 days).

The Racing Commission has indicated to the Legislative Fiscal Office that additional Self-generated Revenue could be used in the drug testing program. One specific area of interest is to begin a strong drug prevention program that the Agency says will,"keep the quality of racing high".

*LFO Comment:*
If the Racing Commission is to continue regulating the racing industry, one important aspect is drug testing of participants. For the Agency to perform it will need adequate funding. The Legislature will need to determine how much testing is necessary in this industry.

**DPS** **Management and Finance** SCH. **08-419**

**Indicator:** **Number of NSF checks returned** Analyst: Brasseaux

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST |
|---|---|---|---|---|
| Q1 | | | | |
| Q2 | | 500 | 775 | 55.0% |
| Q3 | | | | |
| Q4 | 2,440 | | | |

| ANNUAL | |
|---|---|
| PRIOR YR | 2,440 |
| CURRENT YR EST | 2,250 |
| YTD ACTUAL | 775 |
| (ANNUALIZED) | 1,550 |

## Analysis of Indicators:

**Data Analysis**:

The Office of Management and Finance (M&F) currently has 775 checks from this fiscal year which have been returned for nonpayment (NSF). In addition, M&F has an outstanding balance of $2 million in NSF checks. The Department of Public Safety estimates that approximately 75% of these funds are related to personal and business checks for vehicle registration costs. The remainder is due largely to NSF checks written to State Police for costs associated with its motor carrier safety program and a small amount in the State Fire Marshal.

**Budget Impact**:

While the current outstanding balance for NSF checks totals over $2 million, Public Safety wrote off its books over $325,000 in uncollectible funds in the mid 1990s and is set to write off an additional undetermined amount. Of this $2 million total, over $1 million is less than five years old. The amount outstanding includes those which have proved uncollectible by the Department of Revenue. While the eventual collection rate is approximately 65%, Public Safety must seek alternative ways to reduce the uncollectible fees.

In an effort to curtail this problem, DPS will soon begin the bid process to contract with an entity such as Telecheck which will enter the persons name in a database which will show up whenever this person attempts to write checks where companies such as Telecheck are used to screen bad checks. The contract for these services will be in the range of $50,000-$100,000 range per year. Also, DPS has begun allowing credit card payment for vehicle renewal costs and has proved very effective. Credit card access is available for use over the internet and through conversant phone systems. DPS indicates that this will become a statewide alternative within two years for possibly all other fees. The Division of Administration is currently in negotiation with the major credit card companies to arrive at a flat fee for all transactions.

**LFO Comment**:
The LFO is particularly concerned with the fact that the NSF checks are so prevalent in the OMV. These vehicle registrations are mailed to the customer prior to the NSF check being returned to DPS. Therefore, OMV has no way to retrieve that vehicle registration and the customer goes forward with his vehicle registration as if those costs had been paid. One alternative for consideration should be that vehicle registrations be mailed only after payment is verified.

Also, OMV apparently has no uniform, statewide procedures in place to "flag" these individuals who have written NSF checks. Thus, it is likely that an individual who has written an NSF check in the past could continue to do business with OMV without the prior NSF check being addressed. This issue should be reviewed by OMV to assure that prior debts are paid before any further business is allowed.

As it is apparent that the Department of Revenue and DPS are ineffective in their attempts to collect these unpaid debts, and as further losses are inevitable, measures must be taken to address this problem. The LFO agrees with the efforts being made by DPS to look into alternative means to decrease the funds being lost and recommends that these and possibly other alternatives be implemented more quickly. Finally, the OMV should request legislative changes, if necessary, to address any problems it is confronted with in preventing these types of problems in the future.

**DHH New Orleans Home & Rehab Center SCH. # 09-311**

**Indicators: Patient Services** **Analyst:** Kristy Freeman

Cost per client day

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| Q1 | $91 | | | | PRIOR YR | $102 |
| Q2 | $91 | $91 | $106 | 16.5% | CURRENT YR EST | $91 |
| Q3 | $91 | | | | YTD ACTUAL (ANNUALIZED) | 0 |
| Q4 | $102 | $91 | | | | |

Occupancy Rate

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| Q1 | 94% | 95% | 86% | (9.5%) | PRIOR YR | 90% |
| Q2 | 95% | 95% | 84% | (11.6%) | CURRENT YR EST | 95% |
| Q3 | 92% | 95% | | | YTD ACTUAL (ANNUALIZED) | 0 |
| Q4 | 90% | 95% | | | | |

**Analysis of Indicators:**

Data Analysis:

New Orleans Home and Rehabilitation Center's (NOHRC) cost per day has been higher than expected, while the patient census has been lower than projected. Due to the number of actual patient days being below projection and the occurrence of mandated, unfunded costs (i.e. pharmacy expenses and a civil service medical pay plan), there has been an increase in the cost per client day. Cost per client day is directly effected by average daily census, which has also declined. The average daily census, with a performance standard of 183, has been 180, 175, and 165 in FY 98, FY 99, and FY 00 respectively.

NOHRC is staffed for 195 beds. Staffed beds are below the norm as a result of a reduction in admissions of IV therapy, ventilator therapy and military veterans.

Budget Impact:

The performance standard rate of $91 for the cost per client day is low. NO H&RC's FY 00 budget is $6,703,797 and there are 66,795 projected patient days, which suggests the current indicator rate should be $100.36 per day. In comparison, the prior year cost per day was $102 per day. Also, the rate of $91 is less than current Medicaid reimbursement rates for facility care, which ranges from $97 to $110 per day. Another attributable factor for the higher than expected cost per client day is the increased inflation rate on pharmacy expenses.

The reduction in census has had some impact on NO H&RC, but the Title XIX prior year cost settlement has provided enough revenue to offset the reduction in census.

LFO Comment:
The occupancy rate in FY 98, FY 99, and FY 00 were 92%, 90%, and 84% respectively. The cost per client day in FY 98, FY 99, and FY 00 were $95, $102, and $106 respecitvley. The occupancy rate and cost per client day indicators are inversely related and need to be monitored to insure the most efficient use of state facilities and state funding. Staff shortages due to staff turnover at NOHRC has caused a reduction in staffed beds, occupancy rate and admissions. The staffing shortage is based on an inadequate pay scale and the inablity to pay for overtime.

| | FY 96 Actual | FY 00 Approp | Square Feet per Bed | Facility Square Feet |
|---|---|---|---|---|
| *09-331 Central Louisiana State Hospital* | | | | |
| Total Budget | $24,196,921 | $21,882,707 | 3,890 | 840,295 |
| Authorized Positions (T.O.) | 510 | 477 | | |
| Number of Staffed Beds | 280 | 216 | | |
| Number of Licensed Beds | 384 | 384 | | |
| Cost per Bed per Year | $86,418 | $101,309 | | |
| Employees per Bed | 1.8 | 2.2 | | |
| Cost per Client Day | $255 | $338 | | |
| *09-332 East Louisiana State Hospital* | | | | |
| Total Budget | $25,596,866 | $25,972,491 | 2,160 | 583,128 |
| Authorized Positions (T.O.) | 612 | 546 | | |
| Number of Staffed Beds | 302 | 270 | | |
| Number of Licensed Beds | 356 | 327 | | |
| Cost per Bed per Year | $84,758 | $96,194 | | |
| Employees per Bed | 2.0 | 2.0 | | |
| Cost per Client Day | $221 | $275 | | |
| *09-333 Southeast Louisiana Hospital* | | | | |
| Total Budget | $28,581,276 | $29,857,443 | 1,995 | 460,906 |
| Authorized Positions (T.O.) | 725 | 669 | | |
| Number of Staffed Beds | 287 | 231 | | |
| Number of Licensed Beds | 483 | 446 | | |
| Cost per Staffed Bed per Year | $99,586 | $129,253 | | |
| Employees per Staffed Bed | 2.5 | 2.9 | | |
| Cost per Client Day | $297 | $392 | | |
| *09-335 Greenwell Springs Hospital* | | | | |
| Total Budget | $11,144,781 | $8,937,327 | 4,526 | 199,142 |
| Authorized Positions (T.O.) | 304 | 206 | | |
| Number of Staffed Beds** | 44 | 44 | | |
| Number of Licensed Beds** | 44 | 44 | | |
| Cost per Bed per Year | $253,290 | $203,121 | | |
| Employees per Bed | 6.9 | 4.7 | | |
| Cost per Client Day | $502 | $377 | | |
| *09-337 Feliciana Forensic Facility* | | | | |
| Total Budget | $16,978,197 | $20,821,927 | 394 | 100,527 |
| Authorized Positions (T.O.) | 401 | 437 | | |
| Number of Staffed Beds | 235 | 255 | | |
| Number of Licensed Beds | 235 | 264 | | |
| Cost per Bed per Year | $72,248 | $81,655 | | |
| Employees per Bed | 1.7 | 1.7 | | |
| Cost per Client Day | $235 | $221 | | |
| *09-338 New Orleans Adolescent Hospital* | | | | |
| Total Budget | $11,529,888 | $13,819,741 | 7,111 | 334,212 |
| Authorized Positions (T.O.) | 297 | 275 | | |
| Number of Staffed Beds | 95 | 47 | | |
| Number of Licensed Beds | 124 | 124 | | |
| Cost per Bed per Year | $121,367 | $294,037 | | |
| Employees per Bed | 3.1 | 5.9 | | |
| Cost per Client Day | $513 | $635 | | |

**Greenwell Springs Hospital (GSH) does not have its own licensed or staffed beds. The 44 beds at GSH are operated and managed by GSH under contract with Earl K. Long and are used for short-term crisis intervention.

**DHH** **Feliciana Forensic Facility** **SCH. #** 09-337

**Indicators: Community Support Program** **Analyst:** Kristy Freeman

**Percent of Community Forensic Services evaluations that are admitted to the hospital**

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 0% |
| Q1 | 20% | 20% | 0% | (100.0%) | CURRENT YR EST | 20% |
| Q2 | 41% | 20% | 7% | (65.0%) | YTD ACTUAL | 0% |
| Q3 | 18% | 20% | | | (ANNUALIZED) | |
| Q4 | 0% | 20% | | | | |

**Total number of patients on waiting list for services**

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 59 |
| Q1 | 0 | 69 | 61 | (11.6%) | CURRENT YR EST | 69 |
| Q2 | 0 | 69 | 82 | 18.8% | YTD ACTUAL | 0 |
| Q3 | 0 | 69 | | | (ANNUALIZED) | |
| Q4 | 59 | 69 | | | | |

**Analysis of Indicators:**

Data Analysis:

The Forensic Division provides outreach evaluation and competency restoration services. Forensic staff evaluates patients for competency preceeding their trials. The percentage of Community Forensic Services (IFS) competency evaluations that are readmitted to the hospital was lower than anticipated due to improved community outreach services. Community outreach services provided by IFS include: (1) competency training for the defendants; (2) referral for psychiatric treatment as needed and diversion to less costly placements when appropriate. Many cases are being treated as outpatient rather than inpatient. <u>In the 2nd quarter, one client was admitted into the hospital</u>, although thirteen evaluations were done (1/13 = 7%).

The second indicator is simpy a count of all persons in parish jails awaiting admission to Feliciana Forensic Facility (FFF). FFF is the only mental health forensic facility in the state, and continues to face overcrowding and court ordered limits on the number of patients that may be housed at any give time. FFF has been mandated by a magistrate order from New Orleans to take patients and relieve the waiting list of greater than 90 days. There were 40 patients in the 2nd quarter who where on the waiting list for over 90 days.

Budget Impact:

The percent of evaluations that are admitted to the hospital is indicative of how many patients Feliciana Forensic Facility will care for and the cost the facility will incur. <u>Each</u>

evaluation costs approximately $360 plus an additional $120 if the patient goes to court. The average annual cost per patient once admitted to the hospital is $37,800 ($210 per day times the maximum stay of 180 days). For FY 00 there have been 23 competency evaluations (at a cost of $8,280), with 18 of those appearing in court (at a cost of $2,160). Of the other five, only 1 was admitted into Feliciana Forensic.

For FY 00, FFF was appropriated approximately $2 million dollars and 27 authorized positions for the Forensic Proposal. The proposal is the agencies response to the mandate to reduce the number of patients on the waiting list over 90 days.

LFO Comment:
Due to improved community outreach services, patients are able to return to the community without being admitted to the hospital thus providing significant State General Fund savings. The negative variance reflects positive performance and allows a cost savings to be realized because patients are not being admitted into the hospital. Also, it is important that FFF continue to receive support from the state in order to comply with the magistrate order.

**DHH** **New Orleans Adolescent Hospital** **SCH. #** 09-338

**Indicators: Patient Care Program** **Analyst:** Kristy Freeman

Cost per patient day

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | $771 |
| Q1 | $732 | $585 | $688 | 17.6% | CURRENT YR EST | $585 |
| Q2 | $783 | $585 | $635 | 8.5% | YTD ACTUAL | $0 |
| Q3 | $751 | $585 | | | (ANNUALIZED) | |
| Q4 | $771 | $585 | | | | |

**Analysis of Indicators:**

Data Analysis:

New Orleans Adolescent Hospital's (NOAH) cost per patient day rate is higher than the performance standard, but is lower than the prior year. The cost per patient day in FY 98, FY 99 and FY 00 were $560, $771 and $635 respectively. In the fourth quarter of FY 99, the number of beds was formally reduced by 24 (71 to 47).

Budget Impact:

With facility projections, NOAH will realize a net decrease of $100 per day in the cost of acute inpatient treatment in FY 00 because some of the costs reflected in FY 99 are being reallocated to outpatient services.

The executive budget for FY 01 reduced NOAH's funding by $348,384 ($13,836,448 to $13,497,449) and authorized positions by 7 (275 to 268).

A major concern is the continued capital needs to an aging facility. The budget for FY 00 has already increased. A carry forward in the amount of $16,707 was approved by the JLCB to remove an underground fuel tank and install a new above ground tank for the emergency generator. Also, an IEB request was approved by the Board, but not the Legislature, in the amount of $57,000 to demolish and reconstruct porches on two buildings. Another project, in the amount of $2.4 million to renovate a dorm wing, sprinkler and fire system, has been put on hold too. In FY 00 NOAH requested $512,200 and was allotted $135,593 for acquisitions and major repairs.

LFO Comment:

NOAH is trying to implement cost containment and reduction measures, which is difficult when a facility has to maintain 330,000 square feet and 21 buildings for an average of 32 inpatients.

**DSS** **Rehabilitation Services** SCH. 10 **374**

1 **Indicator:** **Number of individuals served statewide** Analyst: Douglas

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 31,461 |
| Q1 | 24,313* | 24,186 | 23,347 | (3.5%) | CURRENT YR EST | 33,372 |
| Q2 | 23,943** | 27,248 | 24,794 | (9.0%) | YTD ACTUAL | 24,794 |
| Q3 | 28,627 | 30,310 | | (100.0%) | (ANNUALIZED) | |
| Q4 | 31,461 | 33,372 | | (100.0%) | | |

*Based on a federal fiscal year; **Corrected to reflect a state fiscal year

2 **Indicator:** **Number of new applicants**

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 10,376 |
| Q1 | | | | #DIV/0! | CURRENT YR EST | 12,249 |
| Q2 | 2,941 | 6,125 | 3,221 | (47.4%) | YTD ACTUAL | 3,221 |
| Q3 | | | | #DIV/0! | (ANNUALIZED) | |
| Q4 | 10,376 | 12,249 | | (100.0%) | | |

3 **Indicator:** **Number of individuals successfully placed in gainful employment**

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 3,276 |
| Q1 | 665 | 956 | 518 | (45.8%) | CURRENT YR EST | 3,826 |
| Q2 | 1,655 | 1,913 | 1,226 | (35.9%) | YTD ACTUAL | 1,226 |
| Q3 | 2,566 | 2,869 | | (100.0%) | (ANNUALIZED) | |
| Q4 | 3,276 | 3,826 | | (100.0%) | | |

**Analysis of Indicators:**

Data Analysis:

The shortfall in the number of individuals served by the Vocational Rehabilitation Program by midyear (Indicator 1) is directly related to the shortfall in the number of new applicants enrolled in the program (Indicator 2). As individuals exit the system or are gainfully employed (Indicator 3), they are not being replaced by new applicants. Rehabilitation Services projected that the Vocational Rehabilitation Program would have 6,125 new applicants at the midyear point. This number was met by only 53% or 3,221 new applicants. The notation for this performance indicator by the Department was that the number of new applicants has declined as a result of cost savings measures which were implemented within the Vocational Rehabilitation Program. They further indicated that this has led to many individuals not even applying for the Vocational Rehabilitation Program.

The following is a synopsis of the cost saving measures, mentioned above, implemented by the Department of Social Services for the Vocational Rehabilitation Program: (1) In March '99, LRS closed services to Order of Selection Group II applicants (Severe Disability) who did not currently have a "Plan" for services. An Emergency Rule was put into effect increasing the functional limitation requirements for placement in Order of Selection Group I (most severe disability) to require limitations in 4 or more functional capacity areas and Group II (severe disability) to require limitations in 3 areas. (2) On April 13, 1999, counselors were advised that no "new" plans for service (original and amended) would be approved for any clients including the Order of Selection Group I.

Another factor that has had a significant impact on this program has been the increasing costs of cost services (cost services include but are not limited to training or tuition, special equipment, interpreter services and/or transportation). In FY 99 approximately $47 million was expended for costs services, an increase of approximately $18 million over a five year period. The number of clients provided cost services also increased by 4,394 during this five year period. The major factor regarding cost services is that it is difficult to determine the number of clients served or the cost of services because the services provided are dependent on the needs of the individual clients.

Budget Impact:
Funding for this program as it relates to cost services was 21.3% State General Funds or $10,813,708 and 78.7% Federal Funds or $39,954,873 for a total cost of $50,768,581 expended during FY 99. The approximate cost per client was $1,614. (This was based on 31,461 total clients served during FY 99. Funding to be expended during FY 00 is $8,557,503 State General Funds and $31,544,672 Federal for a total cost of $40,082,175. The decrease in funding is due to an increase in expenditures during FY 99 which resulted in no carryforward of funding in FY 00, which has historically been the norm.

LFO Comment:
In our comments for the end of the year report we indicated that although it would be difficult to determine to what extent the more restrictive Order of Selection Groups and/or the limited available funds (this program is matched at a rate of 21.3% State and 78.7 Federal) would have on the number of new applicants in future fiscal years, we also made reference that these factors would not become clear as to their impact until FY 00 and FY 01. As projected by the Department the more restrictive financial policy and the more restrictive order of selection policy has resulted in fewer individuals meeting the criteria for cost services. In addition, many consumers that were in the program were grandfathered in with regard to the new financial policy. These individuals are exiting the program during FY 00 and will continue to do so in FY 01. They are being replaced with individuals that will have to meet the new criteria. Therefore, as shown by the above indicators, the

outcome has resulted in a decrease in the number of new applicants, individuals actually served, and the number of individuals successfully rehabilitated. Judging by these indicators, it would appear that this program should be able to achieve substantial savings. However, the growth in this program is primarily associated with cost services. To date, cost services have not been adequately portrayed as meaningful indicators. The major obstacle regarding indicators such as this being included is the actual number of indicators that would be necessary to portray the total fiscal aspect of this program. The indicators would need to include such information as the type of services provided, the providers of the services (vendors), the length of the services provided, and referrals for services. The LFO along with other involved parties is in agreement with the current set of indicators provided for Rehabilitation Services, however, much work is still needed in the above mentioned areas to have some grasp of the fiscal concerns involving this program.

| | | | |
|---|---|---|---|
| **LDOL** | **Office of Workforce Development** | SCH. # | **14-474** |
| Indicators: | Welfare-to-Work Program | Analyst | Samson |

Percentage Employed After 6 months (unsubsidized)

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | |
| Q1 | | 61 | 72.5 | 18.9% | CURRENT YR EST | 53 |
| Q2 | | 61 | 69.7 | 14.3% | YTD ACTUAL | 48 |
| Q3 | | | | | | |
| Q4 | | | | | | |

Number of enrollees employed after six months (unsubsidized)

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | |
| Q1 | | 0 | 0 | | CURRENT YR EST | 500 |
| Q2 | | 500 | 478 | (4.4%) | YTD ACTUAL | 478 |
| Q3 | | | | | | |
| Q4 | | | | | | |

Average wage at placement (unsubsidized)

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | |
| Q1 | | 6.04 | 5.43 | 0.0% | CURRENT YR EST | 6.04 |
| Q2 | | 6.04 | 5.47 | (9.4%) | YTD ACTUAL | 5.47 |
| Q3 | | | | | | |
| Q4 | | | | | | |

*Supplemental Information*

| | |
|---|---|
| Quarterly Earnings Gain Rate | 77% |
| Number of enrollees in unsubsidized employment initially | 695 |

**Analysis of Indicators:**

*Data Analysis*:

The first point that should be made about these indicators is that there are a large number of lag quarters between when a person enters employment and when the person's statistics are reported to the LDOL. It takes approximately 11 months from the first month of employment until the month in which the retention information is available to LDOL to prepare reports. After much discussion with the Department it is apparent that it is virtually impossible to speed up this process. The main reason for this lag is that employers are given 90 days, from the last day in the second quarter, to report employee wage information. Therefore, the information discussed here is for individuals who entered employment in the third quarter of FY'98-'99.

The above indicators and supplemental information give the legislature a picture of the unsubsidized employment portion of the Welfare to Work program within the Louisiana Department of Labor. The Welfare-to-Work program's goal is to move welfare recipients into lasting employment by providing a variety of transitional employment opportunities, post employment and job retention services, and other support services such as transportation and child care.

The above indicators, when compared using the supplemental information, give a picture of how this system is working. In the first half of the fiscal year employers reported to the LDOL that 478 of the 695 people who had became employed in unsubsidized employment or employment in which the state did not pay any part of their wage, stayed employed for a 6 month period. This is 14.3% higher than the agency had anticipated. It should also be noted that of those 478 people, their quarterly earnings gain rate was 77%.

Of those individulas placed in unsubsidized jobs 61% were placed as service workers at an average wage of $5.24 per hour and 19% were placed as sales workers at an average wage of $5.34. The percentage of placements within fields does vary between Service Delivery Areas (SDA). Please see attachement for specific information for each SDA.

*Budget Impact:*
The Welfare-to-Work program within the LDOL is financed through both Federal grants and State General Funds. The Department receives an annual appropriation from the Federal Government of $23.7 million and in FY'00 the Department received $3.8 million from the State General Fund. It has been noted that the Department has not been expending all funds appropriated and that the State General Funds appropriated for this purpose for the next fiscal year has been cut by $507,551 in the Executive Budget.

Many of the participants in the Welfare-to-Work program start the program needing not only help being placed in a job but they may also need other assistance. Many participants have many barriers to employment such as: lacking a high school diploma or GED and have math or reading skills below 9th grade, have a poor work history, or require substance abuse treatment for employment. Therefore cost per participant varies greatly between individuals depending on their skill level and need for support services. It has been estimated that the average cost per participant in the Welfare-to-Work program is approximately $3,000.

Appropriations may be used for a variety of services such as: on-the job training, job readiness, job placement services, transportation assistance, child care assistance, and short-term housing. The above mentioned indicators measure those individuals who no longer need these services and are in unsubsidized employment.

*LFO Comment*:

The indicators as they presently stand provide information relative to the unsubsidized portion of the Welfare-to-Work program but they do not give a complete picture. The current indicators would be more meaningful if the quarterly earnings gain rate was known. The LFO with the concurrence of the Department would like to see this indicator added to the FY”00-’01 set of indicators.

| **LDOL** | **Office of Workers' Compensation** | SCH. # | **14-475** |
|---|---|---|---|
| Indicators: | Workers' Compensation Disputes | Analyst | Samson |

Number of dockets (case load)

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 8,765 |
| Q1 | | 0 | 0 | | CURRENT YR EST | 9,154 |
| Q2 | | 4741 | 5103 | 7.6% | YTD ACTUAL | 4,741 |
| Q3 | | | | | | |
| Q4 | 8765 | 9154 | | | | |

Number of final decisions rendered by Workers' Compensation judges

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 1526 |
| Q1 | | 0 | 0 | | CURRENT YR EST | 1067 |
| Q2 | | 540 | 603 | 11.7% | YTD ACTUAL | 603 |
| Q3 | | | | | | |
| Q4 | 1526 | 1067 | | | | |

Number of mediation resolutions prior to pretrial

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 1630 |
| Q1 | | 456 | 436 | (4.4%) | CURRENT YR EST | 1822 |
| Q2 | | 938 | 804 | (14.3%) | YTD ACTUAL | 760 |
| Q3 | | 1367 | | | | |
| Q4 | 1630 | 1822 | | | | |

**Analysis of Indicators:**

*Data Analysis*:

The above indicators measure workload in the Hearings Division within the Office of Workers Compensation. The objective of the program is to resolve 35% of workers' compensation disputes (or lawsuits) in a fair and expeditious manner before they reach the pretrial stage. In the 2nd quarter the Department experienced 7.6% higher case load than anticipated. The increase is directly related to a large number of toxic exposure claims.

Of the 5103 new cases 804 were resolved through mediation. This was 14.3% lower than anticipated. The Department has stated that it is rare for toxic exposure claims to be resolved during the mediation process, however, it is mandatory that all claims go through the mediation process. The Department feels that additional cases could have been resolved by mediation, but there have been turnovers in these positions and this slows down the process. Beginning in October of 1999 the Hearings Division began implementing pilot programs to begin doing mediations via telephone and video confrencing.

Number of final decisions rendered by a Workers' Compensation judge was 11.7% higher than anticipated. This is directly related to increase in case load. It should be noted that many cases take years to resolve.

*Budget Impact:*
There appears to be no direct effect upon the budget due to the increase in case load. The Department was able to adjust and operate within their current budget. However, the costs associated with technological advances will need to be monitored and it will have to be determined if these expenses are out weighed by the benefits.

*LFO Comment:*
The Hearings Division within the Office of Workers' Compensation has been operating with less than full staff. The personnel vacancies should be filled by April of 2000. It appears that through the additional technological advances such as the pilot program the Department may be able to make advances in this area. In the past the resolution rate through mediation was 35%, in the current year the resolution rate was only 26%. With full staff and additional means to perform mediation the resolution rate of mediations should increase.

**DWF** **Office of the Secretary** SCH. # **16-512**

## Indicator: Number of boating accidents

Analyst: M. K. Carroll

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 91 |
| Q1 | | | | | CURRENT YR EST | 90 |
| Q2 | 91 | 90 | 114 | 26.7% | YTD ACTUAL | 114 |
| Q3 | | | | | (ANNUALIZED) | |
| Q4 | | | | | | |

## Indicator: Number of citations for non-compliance w/ personal flotation devices

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 569 |
| Q1 | | | | | CURRENT YR EST | 565 |
| Q2 | 569 | 565 | 1,001 | 77.2% | YTD ACTUAL | 1,001 |
| Q3 | | | | | (ANNUALIZED) | |
| Q4 | | | | | | |

## Indicator: Number of students completing boating safety course

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 0 |
| Q1 | | | | | CURRENT YR EST | 750 |
| Q2 | | 750 | 831 | 10.8% | YTD ACTUAL | 831 |
| Q3 | | | | | (ANNUALIZED) | |
| Q4 | | | | | | |

## Analysis of Indicators:

The Department of Wildlife and Fisheries' Enforcement Division has an objective to reduce the number of boating accidents to 49 per 100,000 registered boats annually. Currently, there are about 330,000 registered boaters, and at mid-year there were about 34 accidents per 100,000 registered boaters. At mid-year there were 22 boating fatalities.

The Enforcement Division has indicators such as the number of students completing boating safety course and the number of citations for failure to comply with the personal flotation device laws. These activities are set up to help reduce the number of boating accidents and fatalities.
1) The number of students completing boating safety courses exceeded the mid-year target by 10.8%

2) The number of citations for failure to comply with personal flotation device laws exceeded the mid-year target by 77.2%.

3) The number of boating accidents exceeded the mid-year target by 26.7%.

It seems that increased citations and boating safety courses would aid in reducing the number of boating accidents, but in actuality these indicators show that the number of boating accidents are not directly correlated to the Department's activities. Even though the Department has created a strong presence around boating activity, the accidents continue. Boating activity does not require the driver take a boating safety course although they are offered. The Department has made efforts to increase awareness of the boating safety courses offered which may have be the reason for the actual mid-year figure exceeding the target.

**Budget Impact:**

The Enforcement Division currently has in their existing operating budget $1,333,915 in federal funds with a 50% state match from the Conservation Fund of the same amount bringing the total amount to $2,667,830 for boating safety.

**LFO Comment:**

Currently, there are about 330,000 registered boaters in Louisiana. Those boaters are not required to take a boating safety course, although they are offered. There are many hazards on the water and one waterway could be completely different than the next. Many boaters may not be aware of these factors that make certain waterways hazardous. The Department may want to add an indicator stating the percentage of people involved in boating accidents who had attended/graduated from boating courses.

An analysis of boating accidents and fatalities was prepared by the Florida Fish and Wildlife Conservation Commission. Louisiana was listed as having 37 fatalities over the last calendar year, placing Louisiana as number 4 of the top ten states with boating fatalities. Louisiana has very warm weather and a large number areas to enjoy boating activities. While having more Enforcement agents present on the water and conducting compliance checks can aid in the reduction of boating accidents, they cannot be everywhere at all times. The only requirement to be eligible to drive a boat is that the operator must be competent. This allows almost anyone, at ages even lower than 15, who have never driven a boat before to operate a potentially dangerous watercraft. This factor makes the boating safety courses important to attend. The Legislature may want to look into requiring anyone operating a boat to take a boating safety course, and be issued a certificate similar to a drivers license.

**HCSD** **All Hospitals** SCH. # **19-610**

## Indicator: Emergency room visits (-)

Analyst: M. K. Carroll

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 274,547 |
| Q1 | | | | | CURRENT YR EST | 276,916 |
| Q2 | 274,547 | 276,916 | 267,901 | (3.3%) | YTD ACTUAL | 267,901 |
| Q3 | | | | | (ANNUALIZED) | |
| Q4 | | | | #DIV/0! | | |

## Indicator: Outpatient clinic visits (+)

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 539,560 |
| Q1 | | | | | CURRENT YR EST | 547,103 |
| Q2 | 539,560 | 547,103 | 551,504 | 0.8% | YTD ACTUAL | 551,504 |
| Q3 | | | | | (ANNUALIZED) | |
| Q4 | | | | | | |

## Indicator: Inpatient days (-)

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 196,977 |
| Q1 | | | | | CURRENT YR EST | 191,948 |
| Q2 | 196,977 | 191,948 | 197,225 | 2.7% | YTD ACTUAL | 197,225 |
| Q3 | | | | | (ANNUALIZED) | |
| Q4 | | | | | | |

## Analysis of Indicators:

HCSD has established a goal of shifting from inpatient to more outpatient care at our state hospitals. The hospitals are making this shift to avoid higher acute care costs related to admissions and emergency room visits.

While the mid-year performance indicators demonstrate that HCSD's hospital system has been successful in achieving their targeted objectives in this transition of hospital services, there are other issues behind those numbers (as follows):

Emergency room visits:

The actual number of emergency room visits was 3.3% below the mid-year target. The actual mid-year figure for FY 00 also decreased from the prior year's actual mid-year's figures by 2.4%. Five of the nine hospitals had a negative variance as compared to their mid year targets. The four hospitals that had a positive variance were all within the 5% variance with the highest variance being 2.5%. The decrease may be attributed to the Disease Management initiatives implemented this year, which aid in establishing primary care physicians for patients and training patients to take better care of themselves. It is also a possibility that some medicaid patients may be entering private facilities in lieu of the charity system.

Outpatient visits:

The actual number of outpatient clinic visits exceeded the mid-year target by 0.8%. The actual mid-year figure for FY 00 also exceeded the prior year's actual mid-year figures by 2.2%. While clinic visits had a positive variance for the overall system, there were four hospitals that had a negative variance greater than 5%. For example, University Medical Center had a negative 11.2% variance and Lallie Kemp had a negative 5.5% variance. University Medical Center stated that the decrease in outpatient clinic visits were because of warmer weather, a higher number of "no shows" and holidays falling on high volume clinic days. Lallie Kemp stated that the clinic visits were below target because of absences of physicians due to vacations and illnesses and lack of budgetary funding for FTE physicians.

Inpatient days:

The actual mid-year figure for inpatient days exceeded the mid-year target by 2.7%, but only increased over the prior year's actual figure by 0.1%.
While most of the hospitals were within the 5% variance for inpatient days, EA Conway had a positive 13.8% variance and Huey P Long had a positive 12.2% variance. The hospitals indicate the increase in inpatient days to an unusually high occurrence of admissions due to the flu and other viruses.

While decreasing inpatient days and admissions is the direction that the hospitals want to go, the percentage of occupancy is low in several hospitals:
1) Huey P. Long has a mid-year percentage of occupancy of 45.6%,
2) W. O. Moss has a mid-year percentage of occupancy of 57.1%,
3) Lallie Kemp has a mid-year percentage of occupancy of 39.3%,
4) Washington St. Tammany has a mid-year percentage of occupancy of 49.6%

**Budget Impact:**

Even though the hospitals are moving towards their goal of shifting from inpatient care to more outpatient care, some costs are still high in some of the hospitals. Most of the hospital's inpatient days were within the 5% variance, but there are a few that have a high inpatient cost per day. Based upon FY 99 inpatient costs, the hospitals have a range of inpatient expenditures per day from $883 to $1,637, with the overall system's inpatient expenditures averaging $1,151 per day. For example:

1) Huey P. Long had an inpatient cost per day of $1,396 and an occupancy rate of 45.6%
2)Lallie Kemp had an inpatient cost per day of $1,637 and an occupancy rate of 39.3%.

While the inpatient care costs are high in some hospitals with lower occupancy rates, it appears that the functions of the hospitals need to be altered.

The hospitals were appropriated $10.5 million for Disease Management for the current fiscal year, of which $1.2 million was in tobacco fund revenues and the remaining amount was IAT dollars (Medicaid and UCC revenues). Standards of treatment were beginning to be adopted for asthma, diabetes, heart failure and HIV. In time, the hospitals will use Disease Management initiatives to encompass all patients who use the facilities, not just focusing on asthma, diabetes, heart failure and HIV. These areas were chosen to focus on first because they are common chronic diseases that cause costly end stage complications.

**LFO Comment:**

HCSD has developed performance indicators that tie their operations to the budget and also show how they are performing compared to similar hospitals in the nation. These performance indicators will be reported in the 4th quarter progress reports.

As noted earlier, HCSD has set a goal of shifting from inpatient to outpatient care. While this, along with Disease Management programs, are laudable goals, the charity hospital system needs to further evaluate its structure.

Given the state's current fiscal crisis, the charity hospital system needs to focus its resources on those areas of care that are critical. They also need to develop management strategies to provide health care in the most efficient manner possible. A 39% occupancy rate with a $1,637 inpatient cost per day is not cost efficient. There needs to be continuing efforts to combine, consolidate, and effectively manage resources to provide a reasonable standard of care in the most efficient manner possible (higher occupancy rates and lower costs per day). It appears the only way to attain these measures are with major structural changes.

**Louisiana Technical College** SCH. # **19-649**

**Indicator: Total Completers with Skills** Analyst: **Sam Bishop**

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 13,922 |
| Q1 | 3,626 | 4,260 | 5,323 | 25.0% | CURRENT YR EST | 7,387 |
| Q2 | 3,305 | 3,127 | 4,106 | 31.3% | YTD ACTUAL | 9,429 |
| Q3 | 3,457 | 0 | 0 | #DIV/0! | (ANNUALIZED) | |
| Q4 | 3,534 | 0 | 0 | #DIV/0! | | |

**Analysis of Indicators:**

Total completers with skills provides the Legislature with information on the number of individuals receiving either a certificate, diploma or an associate degree from the Louisiana Technical College. The performance indicator also measures the number of individuals accepting employment after earning a marketable skill. This cumulative indicator measures only preparatory programs.

Data collected through the 1999-2000 second quarter indicates there were 9,429 completers as compared to a target of 7,387. That is, the actual number of individuals completing their training exceeded target by 2,042. Of the forty-two campuses reporting, twenty-two indicated the actual number of completers exceeded target, nineteen did not exceed target and one achieved target. The academic year for the Louisiana Technical College is from May to May.

In comparison, there were 18,529 completers with skills during the 1998-1999 academic year. This compares to a 1998-1999 target of 13,922. That is, the actual number of individuals completing their training exceeded target by 4,607. An annualization of the 1999-2000 data indicates approximately the same number of individuals (18,858) would have received training at the technical campuses as the prior year. **This performance indicator was not used during the 1997-1998 academic year.**

An analysis of the data indicates the following limitations. First, ten of the forty-two campuses included all students earning either a certificate, diploma, associate degree or marketable skill. These campuses counted individuals enrolled in all programs. The remaining campuses counted only the number of completers from day-time (preparatory) programs. Second, at least four campuses compared actual with an inappropriate target. As a result, the definitional vagueness allows only for limited programmatic comparisons. For example, comparison is only possible between programs offering the same certificate, diploma, or associate degree.

**LFO Comment:**
An analysis by the LFO indicates one inconsistency in the methodology used to calculate the number of completers. For example, at least ten campuses included all students completing course work when calculating the number of completers; whereas the remaining counted only the number of completers from day-time (preparatory) programs. Also, the definitional vagueness allows for limited programmatic comparison. The only comparison possible is between programs offering the same certificate, diploma, or associate degree.

Those campuses with low completion rates may indicate the state is spending more per student without realizing any quantifiable results. That is, students are not completing their programs of study, however, costing the state for time spent in the classroom.

**Louisiana Technical College** SCH. # **19-649**

**Indicator: Cumulative Enrollment** Analyst: **Sam Bishop**

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST |
|---|---|---|---|---|
| Q1 | 21,370 | 0 | 0 | #DIV/0! |
| Q2 | 12,626 | 21,982 | 30,951 | 40.8% |
| Q3 | 11,192 | 0 | 0 | #DIV/0! |
| Q4 | 8,922 | 0 | 0 | #DIV/0! |

| ANNUAL | |
|---|---|
| PRIOR YR | 54,110 |
| CURRENT YR EST | 21,982 |
| YTD ACTUAL (ANNUALIZED) | 30,951 |

**Analysis of Indicators:**

This indicator is designed to provide the Legislature with information on the total number of individuals enrolled at a particular campus of the Louisiana Technical College. During 1999-2000, cumulative enrollment was designated a supporting indicator measuring the number of individuals enrolled either in preparatory courses, short-term training or extension programs.

Data collected through the 1999-2000 second quarter, indicates 30,952 individuals were enrolled within the technical college system. Targeted cumulative enrollment was estimated at 21,982. That is, the actual number of individuals enrolled exceeded targeted by 8,970. During the 1998-1999 period, total enrollment in the technical college system was approximately 54,110. The number of individuals utilizing the technical college system during the 1997-1998 was appropriately 46,229. The academic year is from May to May.

An analysis of the data indicates the following: First, four of the forty-two campuses did not achieve targeted enrollment. Second, at least five campuses compared actual enrollment data to inappropriate targeted values. That is, targets may reflect preparatory enrollment whereas actual values included individuals enrolled in day-time courses, short-term training and extension programs. Third, cumulative enrollment includes a measure of double counting and is more precisely defined as the number of people served.

**Budget Impact:**

The impact of an increase cannot be determined due to inaccurate data.

**LFO Comment:**

The Board of Supervisors of Community and Technical Colleges has established as a priority the improvement of its data collection methods within the Louisiana Technical

College. However, there remains inconsistencies in the methodologies used to calculate its performance indicators. In determining cumulative enrollment, at least five campuses compared actual data to inappropriate targeted values. That is, target values may reflect preparatory enrollment while actual data includes individuals enrolled in day-time courses, short-term training or extension programs. As a result, there is a discrepancy in the reporting of the number of students actually being served by the Louisiana Technical College.

| **Higher Ed** | **All 2-Year and 4-Year Institutions** | SCH. # **19-671** |
|---|---|---|
| | | Analyst: Blanchard |
| **Indicator:** | Retention Rates | |

| 2-Year Institutions | Col1 | Col 2 | Col 3 |
|---|---|---|---|
| Bossier Parish | 813 | n/a | 59.7% |
| Delgado | 2,319 | 44.8% | 43.0% |
| LSU Alexandria | 465 | 56.8% | 52.8% |
| LSU Eunice | 718 | 56.6% | 62.3% |
| Nunez | 482 | 39.9% | 38.4% |
| Southern-Shreveport | 398 | 63.2% | 52.7% |
| 2-YEAR TOTAL | 5,195 | | |

| 4-Year Institutions | | | |
|---|---|---|---|
| Grambling | 771 | 63.6% | 67.2% |
| LSU A&M | 5,218 | 86.0% | 86.9% |
| LSU-Shreveport | 556 | 61.5% | 68.1% |
| Louisiana Tech | 1,785 | 80.8% | 79.4% |
| McNeese St | 1,563 | 57.4% | 61.3% |
| Nicholls St | 1,550 | 66.4% | 64.9% |
| Northwestern | 1,545 | 64.3% | 68.5% |
| Southeastern | 2,894 | 68.7% | 68.3% |
| Southern A&M | 1,761 | 58.4% | 63.9% |
| Southern-NO | 389 | 57.9% | 51.9% |
| UNO | 1,918 | 69.8% | 72.7% |
| Univ of LA - Lafayette | 3,172 | 70.2% | 68.3% |
| Univ of LA - Monroe | 1,656 | 68.3% | 65.3% |
| 4-YEAR TOTAL | 24,778 | | |
| PUBLIC INST TOTAL | 29,973 | 66.9% | 67.2% |

Col 1-Number of First Time Full Time entering Freshmen, Fall 1998
Col 2-Percent of 1997 First Time Full Time entering Freshmen returning to the same campus, Fall 1998
Col 3-Percent of 1998 First Time Full Time entering Freshmen returning to the same campus, Fall 1999

## Analysis of Indicators:

Data Analysis:

The retention rate increased slightly from 66.9% in 1997-98 to 67.2% in 1998-99.

The data indicates that approximately 2/3 of students returned to the institution of original entry or transferred to another public higher education institution in the state.

As additional 4-year institutions continue to move toward instituting admissions criteria, we should observe an increase in the retention rates at these institutions. An example of this is LSU A&M, which had a retention rate increase from 86.0% in 1997-98 to 86.9% in 1998-99. The high rate of retention at the school can be attributed in part to the existence of admissions criteria at LSU A&M.

The Fall of 1998 was the beginning of the first full implementation year for TOPS. One possible reason for the decrease in some school's retention rates could be due to TOPS scholars losing their scholarship and not returning to school.

Budget Impact:
Setting standards should: 1) lower the overall populations at the restructured schools, and 2) increase their retention and graduation rates. A restructured school would be one that has increased admission standards, which would lead to a decline in enrollment. This will result in a substantial savings for the state as the "failure" rates decline; thus less state funding is wasted on noncompleters. Furthermore, as enrollment decreases, $/student increases, addressing the funding issue. Concurrently, more students will attend the less expensive, less restructured schools.

LFO Comment:
This indicator is one of the most useful indicators of the 4-year higher education institutions of Louisiana. It is important to have a high rate of retention of freshmen at Louisiana's 4-year public higher education institutions in order to improve graduation rates.

A majority of the 596 performance indicators for higher education are either annual figures or they cannot be finalized until the fourth quarter. The rest of the indicators do not provide useable information or are too output oriented rather than outcome oriented. The Board of Regents, along with the House Fiscal Division, Office of Planning and Budget, and the Legislative Fiscal Office are having discussions now regarding 2001/2002 performance indicators for higher education. This should result in a dramatic overhaul of performance indicators for higher education in the future.

**Higher Ed** **All 2-Year and 4-Year Institutions** SCH. # **19-671**

Analyst: Blanchard

**Indicator:** Retention Rates

| 2-Year Institutions | Col1 | Col 2 | Col 3 |
|---|---|---|---|
| Bossier Parish | 813 | n/a | 59.7% |
| Delgado | 2,319 | 44.8% | 43.0% |
| LSU Alexandria | 465 | 56.8% | 52.8% |
| LSU Eunice | 718 | 56.6% | 62.3% |
| Nunez | 482 | 39.9% | 38.4% |
| Southern-Shreveport | 398 | 63.2% | 52.7% |
| 2-YEAR TOTAL | 5,195 | | |

| 4-Year Institutions | | | |
|---|---|---|---|
| Grambling | 771 | 63.6% | 67.2% |
| LSU A&M | 5,218 | 86.0% | 86.9% |
| LSU-Shreveport | 556 | 61.5% | 68.1% |
| Louisiana Tech | 1,785 | 80.8% | 79.4% |
| McNeese St | 1,563 | 57.4% | 61.3% |
| Nicholls St | 1,550 | 66.4% | 64.9% |
| Northwestern | 1,545 | 64.3% | 68.5% |
| Southeastern | 2,894 | 68.7% | 68.3% |
| Southern A&M | 1,761 | 58.4% | 63.9% |
| Southern-NO | 389 | 57.9% | 51.9% |
| UNO | 1,918 | 69.8% | 72.7% |
| Univ of LA - Lafayette | 3,172 | 70.2% | 68.3% |
| Univ of LA - Monroe | 1,656 | 68.3% | 65.3% |
| 4-YEAR TOTAL | 24,778 | | |
| PUBLIC INST TOTAL | 29,973 | 66.9% | 67.2% |

Col 1-Number of First Time Full Time entering Freshmen, Fall 1998

Col 2-Percent of 1997 First Time Full Time entering Freshmen returning to the same campus, Fall 1998

Col 3-Percent of 1998 First Time Full Time entering Freshmen returning to the same campus, Fall 1999

## Analysis of Indicators:

Data Analysis:

The retention rate increased slightly from 66.9% in 1997-98 to 67.2% in 1998-99.

The data indicates that approximately 2/3 of students returned to the institution of original entry or transferred to another public higher education institution in the state.

As additional 4-year institutions continue to move toward instituting admissions criteria, we should observe an increase in the retention rates at these institutions. An example of this is LSU A&M, which had a retention rate increase from 86.0% in 1997-98 to 86.9% in 1998-99. The high rate of retention at the school can be attributed in part to the existence of admissions criteria at LSU A&M.

The Fall of 1998 was the beginning of the first full implementation year for TOPS. One possible reason for the decrease in some school's retention rates could be due to TOPS scholars losing their scholarship and not returning to school.

Budget Impact:
Setting standards should: 1) lower the overall populations at the restructured schools, and 2) increase their retention and graduation rates. A restructured school would be one that has increased admission standards, which would lead to a decline in enrollment. This will result in a substantial savings for the state as the "failure" rates decline; thus less state funding is wasted on noncompleters. Furthermore, as enrollment decreases, $/student increases, addressing the funding issue. Concurrently, more students will attend the less expensive, less restructured schools.

LFO Comment:
This indicator is one of the most useful indicators of the 4-year higher education institutions of Louisiana. It is important to have a high rate of retention of freshmen at Louisiana's 4-year public higher education institutions in order to improve graduation rates.

A majority of the 596 performance indicators for higher education are either annual figures or they cannot be finalized until the fourth quarter. The rest of the indicators do not provide useable information or are too output oriented rather than outcome oriented. The Board of Regents, along with the House Fiscal Division, Office of Planning and Budget, and the Legislative Fiscal Office are having discussions now regarding 2001/2002 performance indicators for higher education. This should result in a dramatic overhaul of performance indicators for higher education in the future.

| | | | |
|---|---|---|---|
| **Spec. Sch.** | **Office of Student Financial Assistance** | SCH.19 | **661** |
| **Indicator:** | **Annual Loan Volume Increase** | Analyst: | K. Sewell |

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST |
|---|---|---|---|---|
| Q1 | $99,614,234 | $108,351,251 | $106,763,688 | (1.5%) |
| Q2 | $27,523,645 | $138,088,578 | $142,484,322 | 3.2% |
| Q3 | $18,423,672 | $0 | $0 | #DIV/0! |
| Q4 | $39,073,486 | $0 | $0 | #DIV/0! |

| ANNUAL | |
|---|---|
| PRIOR YR | $184,635,037 |
| CURRENT YR EST | $246,439,829 |
| YTD ACTUAL | $249,248,010 |
| (ANNUALIZED) | 0 |

**Analysis of Indicators:**

Data Analysis:

The objective of this indicator is to increase the annual student loan volume by 10%. This outcome indicator is driven by the demand for student loans, and OSFA has set a performance standard of $214,715,911. The mid-year target was $138 million and the mid-year actual was $142 million, which represents $4 million more in loan activity than projected. This overage represents a mid-year variance of (3.2%). The increase in the actual loan volume for the mid-year was 12%, which represents a variance of (1.61%).

Budget Impact:

The Tuition Opportunity Program for Students (TOPS) has decreased, but not eliminated a qualified student's need to borrow. OSFA has indicated that it overestimated the effect on TOPS when the projections for student loan activity was submitted for FY 1999-00.

LFO Comment:

In order to expand its market share of student loan, the Office of Student Financial Assistance has increased its efforts to generate additional loan activity from colleges and universities in the state. Financial Aid Officers have been contacted to make them aware of the benefit of doing business with OSFA. For example, under the Administration and Support Services Program, OSFA has implemented the newly developed School/Lender Services Section.

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| | | | |
|---|---|---|---|
| **Spec. Sch.** | **Office of Student Financial Assistance** | SCH.19 | **661** |
| **Indicator:** | **# of recipients for TOPS Award** | Analyst: | K. Sewell |

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST |
|---|---|---|---|---|
| Q1 | 0 | 18,000 | 17,263 | (4.1%) |
| Q2 | 0 | 33,281 | 29,130 | (12.5%) |
| Q3 | 0 | 0 | 0 | #DIV/0! |
| Q4 | 0 | 0 | 0 | #DIV/0! |

| ANNUAL | |
|---|---|
| PRIOR YR | 0 |
| CURRENT YR EST | 51,281 |
| YTD ACTUAL | 46,393 |
| (ANNUALIZED) | 0 |

**Analysis of Indicators:**

Data Analysis:

The Tuition Opportunity Program for Students was enacted during the 1997 Legislative Session. The program became funded and active during the second quarter of FY 1998-99.

This is a new key indicator, the prior year reports provided TOPS by individual award type. The performance indicator data for 1999-2000 reports TOPS awards collectively and separately. The Office of Student Financial Assistance reported a performance standard of 33,281 for FY 1999-00, and the mid year actual was 29,130 which represents 4,151 fewer scholarships than projected. This shortfall represents a mid-year variance of (-12.5%).

Budget Impact:

The Tuition Opportunity Program for Students is funded based upon the projected number of students that will qualify for the program. The projected cost for TOPS awards for FY 1999-00 was $81 million, and as of 12/12/99, the actual cost was $57 million for a total of 28,248 awards. In November of 1999, OSFA revised its projections to make them more consistent with the actual activity. The agency projected a surplus of $13.9 million. This surplus will be carried over and used to fund TOPS for FY 2000-00.

| | FY 99-00 Performance Standard | FY99-00 Mid-Year Estimated | FY 99-00 Mid-year Actual |
|---|---|---|---|
| Dollar | $81,840,737 | $40,920,370 | $32,748,823 |
| Number | 33,281 | 33,281 | 29,130 |

LFO Comment

The over estimation of costs are due to various factors. Currently, the institutions are not held to a deadline for billing submission. OSFA indicated that the billings by some institutions were incomplete as of 12/31/99. Another explanation for the overestimation in costs was that some of the awardees failed to achieve the continuation requirements for the Performance and Honors awards (tuition plus a stipend) but did achieve the continuation requirements for an Opportunity Award (tuition only). Although this did not reduce the number of students that were eligible for TOPS, it did reduce the costs.

| DEQ | 13 | SCH. # | 852 |
|---|---|---|---|

**Indicator: Waste tire indicators** Analyst: Robert Hosse

No. of waste tire collection centers/parish

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 1 |
| Q1 | 0.84 | N/A | N/A | | CURRENT YR EST | 1.6 |
| Q2 | 0.86 | 1.6 | 1.6 | 0.0% | YTD ACTUAL | 1.6 |
| Q3 | 0.86 | N/A | N/A | | (ANNUALIZED) | |
| Q4 | 1 | 1.6 | N/A | | | |

Percentage of currently generated waste tires recycled

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 98 |
| Q1 | 98 | N/A | N/A | | CURRENT YR EST | 98 |
| Q2 | 98 | 98 | 98 | 0.0% | YTD ACTUAL | 98 |
| Q3 | 98 | N/A | N/A | | (ANNUALIZED) | |
| Q4 | 98 | 98 | N/A | | | |

No. of waste tire sites under contract

| QUARTERLY | PRIOR YEAR | CURRENT EST | ACTUAL | ACTUAL /EST | ANNUAL | |
|---|---|---|---|---|---|---|
| | | | | | PRIOR YR | 30 |
| Q1 | 8 | N/A | N/A | | CURRENT YR EST | 31 |
| Q2 | 15 | 7 | 2 | (71.4%) | YTD ACTUAL | 29 |
| Q3 | 20 | N/A | N/A | | (ANNUALIZED) | |
| Q4 | 30 | 7 | N/A | | | |

**Analysis of Indicators:**

Data Analysis:

The above indicators reflect various aspects of DEQ's attempts to clean up existing waste tire sites and to insure that currently generated waste tires are handled (i.e. recycled/processed) in an expeditious and environmentally sound manner. The first indicator, number of waste tire collection centers per parish, illustrates the establishment of an average of 1.6 waste tire collection centers per parish. Out of the state's 64 parishes, 58 have at least one collection center, and 22 of these 58 parishes have more than one collection center. The second indicator, percentage of currently generated waste tires recycled, reflects that 98% of currently generated waste tires are being recycled. According to DEQ these recycled (i.e. chipped) materials are primarily used for erosion control by DOTD and behind bulkheads since it is lighter than soil, and is used less extensively as a boiler fuel. <u>Data for the third indicator, number of waste tire sites under contract is incorrect. Because of a</u>

miscommunication within DEQ the data used for this indicator reflected the number of contracts rather than the number of sites under contract for remediation. The end of year target for this indicator should have been 31 sites under contract. DEQ actually has let contracts for 29 of these sites, and 2 sites are still to be released for bid. Out of these 29 sites, 15 sites have already been remediated and 14 sites are currently being cleaned up. The cost for the 2 sites where a contract has not been let is estimated to be approximately $6,000, and these sites together are estimated to contain 2,200 tires. In excess of 800 sites have been remediated heretofore, and the remediation of all known sites will have been completed after the letting and completion of a contract or contracts on the final 2 sites.

Budget Impact:
The indicators and supporting information confirm that DEQ has made appreciable progress in this area in the last couple of years, and that the revenue currently being generated is in excess of that amount necessary to continue the program as presently structured. DEQ is projecting revenue for FY 1999-2000 from the $2 per tire fee to be approximately $7.3 million. Based on this revenue projection and estimated expenditures/encumberances for the remainder of this fiscal year, the Waste Tire Management Fund should have a balance approximating $5.8 million on June 30, 2000. The fund balance could exceed $6.5 million by the end of FY 2001 based upon expected revenue from this fee and amounts budgeted in the FY 2001 Executive Budget for this program. The department is currently promulgating rules to impose a fee of $1 per 20 pounds for off-road tires (tires weighing in excess of 100 pounds) and estimates as much as $500,000 annually could be generated from this fee. The data suggests that DEQ should be able to either reduce its waste tire fee from the current $2 or redistribute the revenues for the purpose of processor reimbursement or market development. DEQ is currently authorized to retain 10% of the fee imposed on these tires to cover their administrative costs, which would equate to roughly $700,000 in both this fiscal year and next fiscal year. However, the department is not expected to need more than about $450,000 per year to administer the state's effort to properly handle currently generated waste tires. This administrative cost includes the necessary support and audit services within the Office of Management and Finance. A related indicator, number of waste tire fee audits conducted, illustrates a 51% increase in these audits above target (53 conducted at midyear rather than 35). The cost for these increased audits is within this program's current budget; and together with the diminished duties relative to cleaning up promiscuous waste tire sites would suggest that administrative costs in this program should not increase significantly in the foreseeable future.

LFO Comment:
The success of the waste tire program has afforded the Legislature an opportunity to either reduce fees on the purchase of new tires or to redirect currently generated revenues to other activities of the program, if warranted. The secretary of DEQ is reviewing requests from

processors to increase the amount they receive for processing waste tires. These processors currently receive $1 of the $2 per tire fee. Out of the remaining $1 of the fee, 70¢ has been used to clean up promiscuous waste tire sites, 10¢ has been used for market development, and 20¢ of the fee has been available for DEQ's administrative expenses.